

# **TENNESSEE ALCOHOLIC BEVERAGE COMMISSION**

**Minutes**  
**June 21, 2007**  
**1:30 p.m.**

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The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Thursday, May 24, 2007 in Nashville, Tennessee at 1:00 p.m. Chairman John Jones, Commissioner Cynthia Bond and Commissioner Harlan Mathews were present. Executive Director Danielle Elks, Assistant Director Carolyn Smith and ASAC Andy Woodall were present.

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**1. The Minutes for May 24, 2007 Commission Meeting were approved.**

**2. RETAIL PACKAGE STORES**

**A. ATRIUM WINE & SPIRITS**  
**CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

**Applicant: Shukra Enterprises, LLC**

**Member: Savita Chaudhari**

Before the Commission is a request for a new retail store to be located at 1921 N. Gunbarrel, Suite G in Chattanooga, Tennessee. Ms. Savita Chaudhari intends to initially invest approximately \$250,000 in the business, and operate the business as a LLC. Her husband, Vijay Chaudhari, is loaning her the money, and is a guarantor on the lease. The LLC is leasing the property from Shoppes at Atrium, LLC for a five year term, at \$3272.50 per month. All documentation has been provided with the exception of the following:

- a. Use and Occupancy permit;
- b. Financial and bank check on Vijay Chaudhari; and
- c. Source of the \$200,000.

**Discussion/Action Taken:**

Director Elks reviewed the application to the Commission and stated that the Financial and bank credit has been received, but the staff still has some questions about the source of the \$200,000. Mr. Vijay Chaudhari indicated in a letter that he has loaned money to several other of his corporations and that the corporations owe him money and the staff is investigating this. Director Elks stated that the TABC agents are looking more closely at the finances for the retail stores because the staff is finding that there are hidden issues, hidden ownership and hidden monies. Director Elks stated that once the staff has verified the source of the \$200,000 and the Use and Occupancy has been received she would recommend approval. Chairman Jones made a motion to approve subject to satisfactory

explanation of the financial questions and submission of the Use and Occupancy. Commissioner Mathews seconded the motion and it passed with 3 ayes.

**B. BERNIE’S C & S LIQUOR STORE  
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

**Licensee/Seller: Walter Murphy**  
**Applicant/Buyer: Bernadette Murphy**

Before the Commission is a request for a transfer ownership of the retail store located at 2211 Chelsea in Memphis, Tennessee. Ms. Bernadette Murphy wishes to purchase the business from her father, Walter Murphy, for \$1000.00. Ms. Murphy is leasing the property from the Estate of Nathan Friedman for \$900 per month for a period of three years. **Issue:** In March, 2006, Ms. Murphy pled guilty to selling alcohol to a minor. T.C.A §57-3-210(d) prohibits any person who has been convicted of any offense involving the sale, possession, transportation, storing, manufacturing or otherwise handling intoxicating liquors from holding a retail license. All documentation has been submitted with the exception of the following:

- a. Payment of outstanding citations.

**Discussion/Action Taken:**

Director Elks reviewed the application to the Commission and stated because Ms. Bernadette Murphy pled guilty to selling alcohol to a minor, therefore, she cannot own a retail package store. Director Elks recommended that the Commission defer the application until the July Commission meeting so the staff can determine the deposition to the charge of the sale to a minor. Commissioner Bond made a motion to defer the application to the July Commission meeting. Commissioner Mathews seconded the motion and it passed with 3 ayes.

**C. KAUFMAN’S LIQUOR STORE  
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

**Seller/Licensee: Ellis Kaufman, Jr.**  
**Applicant: Kaufman’s Liquor Store, LLC**  
**Member: Gwendolyn Yvette Reese**

Before the Commission is a request for a transfer of ownership for the retail license located at 1509 S. Third Street, in Memphis, Tennessee. Ms. Reese wishes to operate the business, if approved, operate the business

as a LLC. Mr. Kaufman passed away on September 5, 2006, and under the terms of the will bequeath the business and property to his children—including Gwendolyn Reese. The other children have signed “Renunciation and Disclaimer” notices for all interest in the business. The applicant will be leasing the property from the family members for \$1000 per month for a term of five years. All documentation has been submitted with the exception of the following:

- a. Federal tax stamp in the LLC’s name.

**Discussion/Action Taken:**

Director Elks reviewed the application to the Commission and stated that the Federal tax stamp has been received and she recommended approval. Commissioner Bond made a motion to approve. Commissioner Mathews seconded the motion and it passed with 3 ayes.

**D. THE LIQUOR LOCKER  
FAYETTEVILLE, TENNESSEE (LINCOLN COUNTY)**

**Licensee: William and Janice Caldwell**

Before the Commission is a request for a transfer of location of the retail business currently located at 1411 Huntsville Highway in Fayetteville, Tennessee. Mr. and Ms. Caldwell wishes to move to 1604 Huntsville Highway—also in Fayetteville. This request is based upon the fact that the landlord has sold the property, the lease expires in July, 2007, and uncertainty existed regarding the renewal of the lease with the new landlord. All documentation has been submitted with the exception of the following:

- a. Acknowledgement of the rules and regulations;
- b. Payment of outstanding citations.

**Discussion/Action Taken:**

Director Elks reviewed the application to the Commission and stated that the staff has received the Acknowledgment of the Rules and Regulations and the payment of the outstanding citation; therefore, she recommended approval. Commissioner Mathews made a motion to approve. Commissioner Bond seconded the motion and it passed with 3 ayes.

**3. WINERIES**

The TABC has received emergency notification from Commissioner Ken Givens, Department of Agriculture, that due to the freeze conditions in April, 2007, and subsequent drought conditions, approximately 80% of the grape and fruit crop has been lost for this year. The Department of Agriculture has confirmed the non-existence or non-availability of the following grapes and fruits:

Grapes: Alwood, Baco Noir, Cabernet, Cabernet Franc, Cabernet Sauvignon, Campbell's Early, Catawba, Cayuga, Chambourcin, Chancellor, Ghardonelle, Chardonnay, Concord, Cynthiana, De Chaunac, Edelweiss, Elvira, Foch, Fredonia, Gewurztraminer, golden Muscat, Ives, Kaye Gray, Martha, Merlot, Muscadine, Niagara, Petite Verdot, Pinot Gris, Riesling, Rogeon, Sauvignon Blanc, Seyval Blanc, Shiraz, Steuben, Sunbelt, Syrah, Traminette, Vidal, Viognier, Zinfandel.

Fruit: Apple, Blackberry, Blueberry Cherries, Honey, Peach, Raspberry, Rhubarb, and Strawberries.

**4. SPECIAL OCCASION LICENSES**

**5. CONSUMER EDUCATION SEMINAR LICENSES**

- 6. PERSONNEL** – Director Elks stated that Linda Hale, Human Resources Analyst 2, was transferring to Shared Services Division, Finance and Administration on July 16, 2007. Director Elks stated that Ms. Hale has been with the Tennessee Alcoholic Beverage Commission for 10 years.

- 7. BUDGET** – Director Elks stated that Vanessa Crutcher, Fiscal Officer, received information that this fiscal year that we did not have any double payments on bills that have been paid.

**8. CONSENT ORDERS**

**9. PENDING MATTERS LIST**

- 10. MISCELLANEOUS** – Director Elks stated that the Responsible Vendor Act takes effect on July 1, 2007.

Assistant Director Carolyn Smith stated that the staff had received a liquor-by-the-drink application. On the application the owner stated that it was a dance studio and they would have food, but the primary purpose was a dance studio. Assistant Director Carolyn Smith stated that there was a show-cause hearing before an Administrative Law Judge to determine whether a license should be issued. Assistant Director Carolyn Smith stated that the staff received an Order that upheld the staff's position that the establishment was not eligible for a LBD license because his primary business was not the service of food.

**11. DATE OF NEXT MEETING** – July 26 and August 23, 2007 at 1:30 p.m.

There being no further business the meeting was adjourned.

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Shari Danielle Elks  
Executive Director

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John A. Jones  
Chairman